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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended: December 31, 1991

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92-2251

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission file number: 0-18260

THE NEW WORLD POWER CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**52-1659436**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
152 East 74th Street, New York, New York	**10021**
(Address of principal executive offices)	(Zip code)

(212) 737-0177
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to filing requirements for the past 90 days.
Yes X No ___

The number of shares outstanding of the registrant's Common Stock as of December 31, 1991 was 16,496,833.

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This Form 10-Q is being filed by the registrant, together with the registrant's Form 10-Q for the quarter ended March 31, 1992. The information presented herein is as of December 31, 1991, and does not include events occurring after such date except as otherwise stated herein. The Form 10-Q for the quarter ended March 31, 1992, should be consulted for information concerning the registrant which occurred after December 31, 1991.

THE NEW WORLD POWER CORPORATION (the "Company")

Quarterly Report on Form 10-Q

For the Quarter Ended December 31, 1991

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Part I. Financial Information

Item 1. Financial Statements

THE NEW WORLD POWER CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In thousands of dollars)

	December 31, 1991	September 30, 1991
Assets		
Current assets:		
Cash	$ 266	$ 292
Accounts and advances receivable	516	1,539
Current portion of notes receivable	2,922	4,537
Other current assets	62	96
Current assets	3,766	6,464
Investment in Northern Power Systems, Inc.	246	-
Notes receivable	5,551	8,444
Plant, property and equipment, net	5,794	5,815
Other non-current assets	90	193
Total assets	$15,447	$20,916
Liabilities and Stockholders' Deficiency		
Current liabilities:		
Accounts payable and accrued liabilities	$ 4,649	$5,773
Current portion of long-term debt	4,354	4,493
Current portion of capital leases	4,251	6,267
Total current liabilities	13,254	16,533
Long-term debt	649	649
Capital lease obligations	4,247	8,366
Other liabilities	1,218	1,204
Total liabilities	19,368	26,752
Stockholders' deficiency:		
Common Stock	15	14
Preferred Stock	4	4
Additional paid-in-capital	4,913	4,669
Accumulated deficit	(8,853)	(10,521)
Total stockholders' deficiency	(3,921)	(5,836)
	$15,447	$20,916

See notes to consolidated financial statements.

THE NEW WORLD POWER CORPORATION

AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Three Months Ended December 31, 1991	1990
Operating revenue	$ 574	$ 567
Cost of operations	417	439
General and administrative expenses	452	430
Net operating loss	(295)	(302)
Interest expense, net	167	225
Other expense (income)	(2,028)	(143)
Net income (loss)	$ 1,566	$ (384)
Earnings per share:		
Primary:		
Net income (loss) per share	1.11	(0.28)
Weighted average number of shares(1)	1,409	1,375
Fully-diluted: (1)		
Net income (loss) per share	0.87	(0.28)
Weighted average number of shares(1)	1,801(2)	1,375

(1) Adjusted to give effect to the one-for-ten reverse stock split voted by the Company's Board of Directors on June 15, 1992, subject to stockholders approval at an annual meeting of the Company's stockholders which is expected to be held in August 1992.

(2) All of the shares of the Company's Series A Preferred Stock are included in the determination of the fully-diluted weighted average number of shares. Under the treasury stock method, the outstanding options and warrants have no net effect on this calculation because the exercise price of such options and warrants is equal to the fair market value of the Company's Common Stock.

See notes to consolidated financial statements.

THE NEW WORLD POWER CORPORATION

AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Three Months Ended December 31,	
	1991	1990
Cash flows from operating activities:		
Net income (loss)	$1,566	$ (384)
Adjustment to reconcile net income (loss) to cash flow from operations:		
Depreciation and amortization	129	120
Decrease (increase) in working capital	38	(284)
Net benefit from settlement agreement	(1,654)	-
Gain on collections of notes receivable	(104)	(144)
Other, net	126	-
	101	(692)
Cash flows from investing activities:		
Capital expenditures, net	(92)	(7)
Collections of notes receivable	104	327
	12	320
Cash flows from financing activities:		
Repayments of indebtedness	(139)	(11)
Proceeds from capital stock offerings	-	527
	(139)	516
Net change in cash	(26)	144
Cash, beginning of period	292	132
Cash, end of period	$ 266	$ 276

See notes to consolidated financial statements.

THE NEW WORLD POWER CORPORATION

AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. The financial statements included herein are unaudited. They have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and note disclosures required by generally accepted accounting principles. The information included herein reflects all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods reported.

2. The results of operations for the three-month period ended December 31, 1991 and 1990, are not necessarily indicative of the results to be expected for the full year.

3. Net income (loss) per share is based on the weighted average number of shares of Common Stock outstanding. Common Stock equivalents, including options and warrants to purchase the Company's Common Stock and Preferred Stock convertible into the Company's Common Stock, have been excluded in the determination of net income (loss) per share in periods in which the Company realized net losses as inclusion of such would be antidilutive.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

The Company's principal lines of business involve the production and sale of electrical power from renewable power sources including wind and water. The Company's majority-owned subsidiary, Arcadian Renewable Power Corporation, produces electricity from approximately 1,399 wind turbines, which the Company owns, leases, or manages for third party owners and sells such electricity to Pacific Gas & Electric Company under a long-term, fixed-price per kilowatt hour ("kwh") contract (the "Windpower Business"). The Company's majority-owned subsidiary, Wolverine Power Corporation, produces electricity from four contiguous hydroelectric facilities on the Titawabassee River near Edenville, Michigan and sells such electricity to Consumers Power Company under a

long-term contract which expires in May 2022 (the "Hydroelectric Business").

In December 1987, the Company acquired its Windpower Business pursuant to an asset purchase agreement with Fayette Manufacturing Corporation. Since such acquisition, the Company's activities with respect to its Windpower Business have principally involved restructuring the acquired operations, restructuring assumed-debt and lease liabilities, and prosecuting litigation relating to matters arising both before and after the acquisition.

Results of Operations

Consolidated revenue for the quarter ended December 31, 1991, increased by 1%, or $7,000, from $567,000 to $574,000, compared with the corresponding fiscal 1990 period. The increase consisted of an $80,000 increase pertaining to the Windpower Business which was offset by a $73,000 decline in revenues pertaining to the Hydroelectric Business. The increase in revenues attributable to the Windpower Business principally resulted from a higher number of operating wind turbines. The decrease in revenues attributable to the Hydroelectric Business principally resulted from a lower volume of water flow throughout the Company's hydroelectric facilities.

The Company's consolidated operating loss for the quarter ended December 31, 1991, decreased by 2%, or $7,000, from $302,000 to $295,000 compared with the corresponding fiscal 1991 period. The net decrease in the operating loss consisted of a $134,000 decrease in the loss pertaining to the Windpower Business, which was offset by a decrease in the operating income pertaining to the Hydroelectric Business. The decrease in operating loss attributable to the Windpower Business resulted principally from the previously described increase in revenues along with a decrease in repair and maintenance costs. The decrease in such costs resulted from wind turbine repair and maintenance work being serviced by the Company employees in the first quarter of 1992 as opposed to outside contractors who performed most of this work in the previous fiscal year. The decrease in the operating income attributable to the Hydroelectric Business principally resulted from the lower level of water flow through the Company's hydroelectric dams.

Other income for the quarter ended December 31, 1991, substantially reflects the gain on settlement of litigation

pursuant to which the Company canceled certain notes receivable and lease obligations resulting in a net benefit of approximately $1,654,000.

Financial Condition and Liquidity

Cash flow provided by operating activities was approximately $101,000 for the quarter ending December 31, 1991, compared with cash flow used by operations of $692,000 for the same period in fiscal 1991. The increase in cash flow provided by operating activities principally resulted from decreased general and administrative expenses.

Cash flow from investing activities principally related to collections of amounts due under promissory notes executed by wind turbine owners. Collections on promissory notes of the Windpower Business decreased by $223,000 for the quarter ended December 31, 1991, compared with the fiscal 1991 period. Such decrease resulted from the declining credit quality of the outstanding promissory notes.

In July 1991, the Company agreed to acquire 67% of the shares of common stock of Northern Power Systems, Inc. ("Northern Power"). Northern Power designs, manufactures, assembles and installs sophisticated, stand-alone, primarily renewable-resource-driven electric power facilities. The consummation of this 67% acquisition was subject to the fulfillment of certain preconditions; as such, 67% of Northern Power's stock was placed in escrow. On December 19, 1991, the Company issued 815,923 shares of its Common Stock to the shareholders of Northern Power in exchange for 713,586 shares of common stock of Northern Power. This transaction constituted a 42% investment by the Company in Northern Power. All preconditions related to this portion of the acquisition were met on December 24, 1991; consequently, the Company has accounted for its 42% investment in Northern Power under the equity method of accounting at December 31, 1991. The Company has not recorded any interest in the remaining 25% of Northern Power which it seeks to acquire because additional preconditions must be fulfilled before such acquisition is legally consummated.

In the previous fiscal year, cash flow from financing activities included proceeds from the sale of the Company's convertible preferred stock in October 1990 totaling $527,000. The Company made principal payments on account of indebtedness of the $139,000 during the three-month period

ended December 31, 1991 compared to $11,000 in the previous year's corresponding period.

The Company funded its consolidated operating cash flow deficiencies and fixed charge obligations with capital contributions, collections of notes receivable of the Windpower Business and extensions of regularly scheduled payments of principal and interest on account of the Company's outstanding indebtedness.

At December 31, 1991, the Company had consolidated indebtedness of approximately $5,003,000. Of such amount, $1,393,000 was in default and subject to acceleration by creditors.

Management of the Company expects that through the implementation of its business plan it will meet its obligations which have already fallen due and other obligations as they fall due with cash generated from operations and funds provided by external financing. In addition, the Company is negotiating restructuring of the terms of certain of its indebtedness, including the extension of maturities. There can be no assurance of the success of the Company's business plan, nor of the availability or the outcome of such debt restructuring negotiations.

The Company currently receives approximately $.034 per kwh for wind-generated electrical power. The rate the Company received for hydroelectric power is approximately $.03 per kwh.

In addition to increases in future operating revenue, the Company believes that it can substantially improve its results of operations, including income and cash flow generated by its operating activities, through reductions in operating costs and expenses, particularly with respect to legal and other professional fees, and other general and administrative costs.

The Company's business plan also provides for improvements in its results of operation and financial position through selected acquisitions such as the partial acquisition of Northern Power discussed above. However, there can be no assurance that the Company will realize the forecast improvements in its results of operations and financial position from such acquisitions, nor generate funds attributable to such entities available to service the Company's fixed charges and other cash requirements.

The Company's business plan also provides for raising additional equity capital. The Company must be able to raise significant additional external financing if the Company is to be able to meet its present operating and debt service cash requirements.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

PG&E Settlement

The Company is a member of the plaintiff class in a suit against Pacific Gas & Electric Company, a California public utility ("PG&E") based on PG&E's refusal to offer higher rate SO4 contracts to Arcadian Renewable Power Corporation in the early 1980s under a power purchase agreement. In January 1992, Arcadian and other members of the class entered into a settlement agreement with PG&E, which is subject to approval by the California Public Utility Commission ("CPUC"). Counsel for the Company believes that the Company will be entitled to at least $1.25 million if the settlement is approved by the CPUC. The Company does not expect to receive these proceeds until fiscal 1993.

Wind Energy Partnerships

In May 1990, several wind energy partnerships filed a complaint against Arcadian Renewable Power Corporation, Wolverine Power Corporation and certain members of management relating to a dispute with Fayette Manufacturing Corporation ("FMC") which arose prior to the Company's acquisition of the Altamont wind farm from FMC. The Company denied liability but entered into a settlement in December 1991 on the following terms: (i) the outstanding notes of Arcadian to the plaintiffs were canceled; (ii) Arcadian acquired all of the rights and liabilities associated with the wind turbines leased to the plaintiffs; (iii) the plaintiffs were assigned approximately $42,000 in funds held in escrow in unrelated litigation; and (iv) Arcadian has agreed to issue to the plaintiffs' partners warrants to acquire up to 800,000 shares of Arcadian's common stock at $.09 per share.

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits. None.

b. Reports on Form 8-K. No reports on Form 8-K were filed during the period covered by this report.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE NEW WORLD POWER CORPORATION

Date: July 10, 1992

By _____
John D. Kuhns
Chairman of the Board
(principal executive officer and principal financial officer)